

## **Governor Owens' Plan for Sustainable Health Care Expansion**

“We have a great opportunity to expand health care services to some of Colorado’s most vulnerable citizens. We also have a responsibility to consumers and taxpayers to make sure these expansions are sustainable and are accompanied by reform of our public programs.”  
– Governor Bill Owens

### **Expanding Health Care Services (Medicaid and CHP+)**

**Total Cost: \$36 million out of \$80.5 million available**

#### **Expand Health Insurance Coverage to more Lower-income Coloradans:**

- Many of Colorado’s uninsured are people who work hard but do not earn enough money to afford health insurance for their children.
- Governor Owens’ plan would expand eligibility for Colorado’s health insurance program for lower-income children (CHP+) from 185 to 200 percent of the federal poverty level. This would add more than 4,000 children to the program.
- For every 1 dollar the state contributes to this program, the federal government contributes two dollars.

#### **Add Parents to Medicaid:**

- Colorado continues to have an asset test for its Medicaid beneficiaries. In some cases, this can be a disincentive for parents to find employment and free themselves from public assistance.

#### **Restore Outreach for Children’s Health Program:**

- Currently, only 48% of eligible children are enrolled in the CHP+ program.
- Governor Owens’ plan to restore outreach efforts for the CHP+ program would increase this number to approximately 72%, and provide health insurance for an additional 3,500 lower-income children.

#### **Restore Medicaid for Legal Immigrants:**

- The Governor supports efforts to restore Medicaid coverage for legal immigrants that had been removed during the economic downturn.

### **Expanding Health Care Services (Old Age Pension Fund)**

**Total Cost: \$1.25 million out of \$5.25 million available**

#### **Increase Funding for Seniors:**

- Would provide an additional \$1.25 million to the Old Age Pension program, which provides medical care to seniors who do not qualify for Medicaid or Medicare.

**Expanding Health Care Services (Cancer, Cardiovascular and Pulmonary Diseases)**  
**Total Cost: \$21 million out of \$28 million available**

**Expand Breast and Cervical Cancer Screenings and Treatment:**

- Only 25% of women who are eligible to receive breast and cervical cancer screenings and treatment are receiving them. Furthermore, there are approximately 289 women under the age of 40 who have been diagnosed with cancer, but are not eligible due to their age for treatment under this program.
- Governor Owens' plan would expand Breast and Cervical Cancer screenings and treatment to 7,600 more women (or to 50% of the eligible population) who are ages 40-64 and at or below 250% of the federal poverty level, and allow treatment services to 289 women under age 40 who have been diagnosed with cancer and who are currently ineligible for treatment for a total cost of \$4.6 million.

**Increase Blood Pressure and Cholesterol Screenings:**

- Heart disease and stroke are the first and third leading causes of death in Colorado.
- Cardiovascular disease death rates can be reduced 70% by reducing blood cholesterol and blood pressure to healthy levels.
- This proposal would add blood pressure and cholesterol screenings to the Breast & Cervical Cancer program for women and include screenings at community health centers as an offering to men.
- 58,000 people would be screened for a total cost of \$2.2 million.
- Eligible recipients are 40- 64 years of age and at or below 250% of the federal poverty level.

**Increase Diabetes Screenings:**

- 4.73 percent of Coloradans over the age of 18 have been diagnosed with diabetes. The death rate from diabetes among African American and Latino communities is nearly twice that of the state average.
- Diabetes screenings would be provided to 14,250 men and women ages 40-64 at or below 250% of federal poverty level for a total cost of \$540,000.

**Increase Colorectal Cancer Screenings and Treatment:**

- Colorectal cancer is the second most common cause of cancer death in Colorado for men and women combined. Screening tests can prevent colorectal cancer in many cases through the removal of pre-cancerous polyps. An annual blood test can reduce the mortality from colorectal cancer by up to 30 percent.
- Would provide Colorectal Cancer screening and treatment to men and women ages 40-64 who are at or below 250% of the federal poverty level for a total cost of \$5.7 million.

**Address Health Disparities:**

- Minority populations have higher death rates from heart disease, diabetes, and from colorectal, breast and cervical cancers than the general population in Colorado. In addition to addressing these issues, the Governor's plan would provide \$3 million in funding to support statewide initiatives proposed by the Health Disparities Advisory

Group and the Colorado Department of Public Health and Environment to improve health outcomes for underrepresented populations.

**Improve Rural Health Care Access:**

- Rural Coloradans have difficulty accessing affordable health care in a timely manner.
- Would provide an additional \$3 million to the Governor's Rural Health Care Initiative for improving access to health care services in rural Colorado.
- Includes a telemedicine pilot project that would improve access to health care services in rural Colorado, saving rural consumers valuable time and money, and improving their quality of care.

**Improve Health Outcomes and Lower Costs through Disease Management:**

- Disease Management has proven to be an effective tool for lowering Medicaid costs and improving health outcomes.
- Governor Owens' plan would enhance Disease Management programs for Medicaid beneficiaries for a total of \$2 million.

**Sustaining New Programs**

**Increase Access to Care:**

- Children in Medicaid are less likely to see a private primary-care physician, in large part, because of low reimbursement rates. The percent of pediatricians who accept all Medicaid patients has decreased significantly in the last three years from 41 percent to its current rate of 24 percent.
- It would not be prudent to expand the number of children eligible for public programs if providers are not willing or able to care for them.
- Governor Owens will work with the legislature to increase Medicaid reimbursement rates for providers, which will help ensure that children have access to timely medical care.

**Reserve Funds:**

- New health programs created by tobacco tax revenue will rely on an unpredictable funding stream (the number of people smoking). It would be irresponsible to expand programs one year and have to eliminate them or cap them in future years because we did not account for fluctuations in tobacco tax funding.
- Governor Owens' proposal would reserve \$45 million of the \$81 million allocated by the initiative for Medicaid and CHP+ expansion in a Trust Fund that would sustain the program expansions and could be used for additional expansions if feasible and desirable.

**Transforming Public Programs**

**Streamline Health Programs for Lower-income Coloradans:**

- It is not responsible to expand public programs without transforming them to make them more cost-effective for the taxpayer and more effective for consumers.
- Lower-income children currently receive health care coverage through two distinct State programs, depending on family income: Child Health Plan Plus (CHP+) and Medicaid.

- This system is inefficient for families (who often move back and forth from one program to the other because of slight fluctuations in income) and providers (who must administer two different plans).
- The Governor's plan would create one health plan for lower-income children that resembles private health insurance.

**Expand Consumer-directed Care:**

- Colorado has been at the forefront of providing physically disabled Medicaid beneficiaries with more control over their own health care. The consumer-directed attendant support program (CDAS) results in greater consumer satisfaction and for less cost, all without compromising the consumer's health care status.
- This year, Governor Owens will be pursuing expansion of consumer directed options for Medicaid's long-term care clients.
- Long-term care clients have some of the greatest health care needs and costs, so consumer direction for these individuals will provide the greatest opportunity for any cost savings. They also are typically well informed about their own health care needs and have the greatest incentive to make self-direction decisions that make sense for their individual, often unique needs.